

STATE OF CALIFORNIA
CALIFORNIA ENERGY COMMISSION

Business Meeting Minutes

of

September 25, 2002

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The meeting was called to order by Chairman William J. Keese at 10:05 a.m.

The Pledge of Allegiance was given by Commissioner Boyd.

William J. Keese	Present
Robert Pernell	Absent
Arthur Rosenfeld	Absent
James D. Boyd	Present
John L. Geesman	Present
Margaret Kim, Ex-Officio	Absent

1. CONSENT CALENDAR. (Items on the Consent Calendar will be taken up and voted on as a group. A Commissioner may request that an item be discussed and moved to later on the agenda)
 - a. COMMISSION BUSINESS MEETING SCHEDULE. Possible approval of the 2003 Energy Commission Business Meeting Schedule.
 - b. DEPARTMENT OF TRANSPORTATION (CALTRANS). Possible approval of Contract R600-02-001 to receive \$25,000 to co-fund Contract R600-02-002 for the analysis of the 10-02 and 04-03 Department of Motor Vehicles Registration Data Bases.
 - c. DEPARTMENT OF PARKS AND RECREATION. Possible approval of Contract R600-02-002 to receive \$10,000 to co-fund Contract R600-02-001 for the analysis of the 10-02 and 04-03 Department of Motor Vehicles Registration Data Bases.
 - d. STRATEGIC ENERGY INNOVATIONS. Possible approval of Contract 400-02-001 for \$20,000 to provide Northern California program representative services for the Federal Rebuild America Program that assists communities in developing and implementing new Rebuild America partnerships and energy action plans.
 - e. ONSITE ENERGY CORPORATION. Possible approval of Contract 400-01-017 Amendment 2, for a no-cost, time extension to enable the contractor to monitor and verify peak load reduction of 20+ projects over a full summer peak season.

Commissioner Boyd moved and Commissioner Geeseman seconded approval of the Consent Calendar with the knowledge that Item I(b) is contingent upon receipt of the contract from CalTrans. The vote was unanimous. (3-0)

2. SALTON SEA UNIT #6 GEOTHERMAL POWER PROJECT (02-AFC-02).
Commissioner consideration of the Executive Director's Data Adequacy Recommendation for the Salton Sea Project. CE Obsidian Energy, LLC proposes to build and operate a 185-megawatt geothermal power plant and associated facilities to be located approximately six miles northwest of Calipatria in Imperial County. Designated as Salton Sea Unit Six (SSU6), the proposed plant site is 1,000 feet southeast of the Salton Sea. This proposed renewable energy project will extract steam from the Salton Sea Known Geothermal Resource Area to power associated generation equipment. Ten production and injection wells will be drilled for the project. Produced power will be through lines owned by the Imperial Irrigation District (IID) with 31 miles of new transmission lines construction for the interconnection. Cooling water use is projected at 293-acre feet per year and is available from the IID.

Commissioner Geeseman moved and Commissioner Boyd seconded approval of the Executive Director's Data Adequate recommendation. The vote was unanimous. (3-0)

3. SALTON SEA UNIT #6 GEOTHERMAL POWER PROJECT (02-AFC-02). Possible approval of a Committee for the Salton Sea Unit #6 Geothermal Power Project Application for Certification (Docket No. 02-AFC-02).

Commissioner Boyd moved and Commissioner Geesman seconded approval of a Committee for the Salton Sea Unit #6 Geothermal Power Project with Chairman Keese presiding and Commissioner Geeseman as the seconded. The vote was unanimous. (3-0)

4. LA PALOMA GENERATING PROJECT (98-AFC-2C). Possible approval of a petition to modify air quality Condition of Certification AQ-7 to allow either propane or natural gas to be used during ignition for the combustion turbine generators.

Commissioner Boyd moved and Commissioner Geesman seconded approval of the petition to modify air quality Condition of Certification AQ-7 to allow either propane or natural gas to be used during ignition for the combustion turbine generators at La Paloma. The vote was unanimous. (3-0)

5. EMERGING RENEWABLE RESOURCES ACCOUNT. Possible approval of staff proposed guidebook changes to re-allocate \$13 million from the Existing Account to the Emerging Renewable Resources Account. Additional changes include language to implement the Solar Schools Program (CPA funds), clarify eligible labor and equipment costs, clarify requirements for lease arrangements, simplify application paperwork for new home builders and various smaller changes.

Commissioner Geesman moved and Commissioner Boyd seconded approval of the proposed changes to the re-allocate \$13 million from the Existing Account to the Emerging Renewable Resources Account. The vote was unanimous. (3-0)

6. LOCAL JURISDICTION ENERGY ASSISTANCE LOAN ACCOUNT. Possible approval of an \$8,000 loan to the city of Ione and a waiver of the 25 percent match fund requirement. This loan will be used for the installation of energy efficient lighting in city hall and is estimated to save the city about \$1,300 in reduced electricity costs and result in an estimated peak load reduction of 4.0 kilowatts.

Commissioner Geesman move and Commissioner Boyd seconded approval of a loan to the city of Ione and a waiver of the 25 percent match fund requirement. The vote was unanimous. (3-0)

7. ENERGY CONSERVATION ASSISTANCE ACT ACCOUNT. Possible approval of a loan to Los Angeles Community College District Pierce College for \$1,208,375 to install six 60-kilowatt natural gas fired microturbine co-generation systems and a 159-kilowatt solar project.

Commissioner Boyd moved and Commissioner Geesman seconded approval of a loan to Los Angeles Community College District Pierce College. The vote was unanimous. (3-0)

8. CLEAN CITIES GRANT SOLICITATION. Possible approval of eight grant agreements totaling \$790,000 with project applicants that have been awarded grant funds under the 2002 Department of Energy Clean Cities Grant Solicitation.

Commissioner Geesman moved and Commissioner Boyd seconded approval of eight grant agreements under the 2002 Department of Energy Clean Cities Grant Solicitation. The vote was unanimous. (3-0)

9. GRANITE FINANCIAL SOLUTIONS, INC. Possible approval of Contract 700-02-001 for \$74,999 to provide temporary secretarial services, as needed, to directly support the Energy Facility Licensing Program.

Commissioner Geesman moved and Commissioner Boyd seconded the approval of Contract 700-02-001. The vote was unanimous. (3-0)

10. Minutes

Commissioner Geesman moved and Commissioner Boyd seconded approval of the minutes of September 25, 2002. The vote was unanimous. (3-0)

11. Commission Committee and Oversight

Commissioner Boyd commented on the meetings he has been attending with the Power Authority where they are discussing the reserve margin being set at 22 percent with 25-50 percent to be made up by DSM. The October 11, 2002 meeting is scheduled to set for additional discussions. Commissioner Boyd also commented that the Power Authority is very complimentary of the Energy Commission staff stating they have been so cooperative.

12. Chief Counsel's Report

Chief Counsel Bill Chamberlain had gotten word that the Building Efficiency Standards were moving along over at the Office of Administrative Law.

13. Executive Director's Report

Bob Therkelsen reported that he was sitting in for Executive Director Steve Larson who is in China.

14. Public Adviser's Report

No report was given.

15. Public Comment

No comments were received.

The meeting was adjourned at 11:15 a.m.

BETTY A. McCANN
Secretary to the Commission